

THE DIRECTOR OF CENTRAL INTELLIGENCE

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National Intelligence Officers

MEMORANDUM FOR: Mr. Robert Blackwill
Deputy Assistant Secretary for European Affairs

FROM : Milton Kovner
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SUBJECT : Greek Base Negotiations

In response to your memo of 3 May 1983 to [] I offer the following views on the US-Greek base negotiations.

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During the summer of 1982 the Greek government, in a reversal of its stance on the presence of US bases in Greece, determined that Greek security objectives would be better served by retention of the US facilities -- provided the price exacted for their continuation would be tangible enough to justify its reversal of attitude to the Greek public. The task must then have seemed manageable to Papandreou not only because of his own personal popularity but because he realized that for much of the constituency that elected him the bases were less an ideological issue than an opportunity to elicit from the US concessions on widely-shared Greek objectives -- a guarantee of the status quo in the Aegean or commitments for material assistance to make credible a Greek deterrent. The reversal of negotiating procedures of earlier rounds, i.e., a series of restricted political discussions precedent to the technical talks, was designed to achieve these Greek desiderata early on, providing justification and rationale for the talks to follow. The GOG took pains to imply that with these objectives in hand, the contentious wrangling over particularist issues which characterized previous negotiations would be avoided, a pledge initially made easier by excluding from the discussions those more experienced Greek negotiators who might have been prone to do so.

Clearly, Papandreou could not anticipate the toughness of the US negotiating posture on the fundamental points at issue (attributing failure to achieve similar objectives during the last negotiation to the fecklessness of the previous government), his own waning popularity in the face of growing economic distress and austerity at

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home, and the increasing anxieties of his own left wing and the KKE as the preliminary talks dragged on without seeming result or prospect of early resolution. The forces he himself encouraged to take to the streets often in collaboration with the Communists, and intended to demonstrate public antipathy to the presence of the bases and to ameliorate US negotiating positions, coupled with his own public rhetoric on the subject now threaten to limit his options, unravel the broad coalition that has supported him, and risk further alienation on his left.

Hence the optics appear to have changed for Papandreou, and so too the stakes at issue. While the Administration -- and the Congress -- will have righted, at least conditionally, the balance with Turkey in Fiscal '84, the shape of any achievable agreement he can now foresee will fall short of public expectations that he himself engendered and, in conjunction with other disturbing domestic issues, could prove insufficient to sustain his mandate should he decide to make the issue a focus of early elections.

Despite his doubts and fears, I believe Papandreou wishes to conclude an accord and will risk confrontation with the forces on his left provided its terms reflect sufficient fidelity to his party's earlier programmatic positions. The most critical issue, in my view, is that of duration -- the most visible element of any agreement on which his already tattered credibility with the public -- and perhaps his political future -- will rest. Should he achieve satisfaction here, he would, I suspect, be prepared to back off on the issue of balance on which congressional actions and textual concessions already permit an interpretation of significant US concessions. On the other hand, the absence of a clearly identifiable and unequivocal termination date for the agreement would be more difficult to rationalize in terms of earlier positions.

Should the negotiations break down on the duration issue -- especially in the absence of other concessions on multi-year assistance commitments, balance etc. -- it will not be without political penalty for Papandreou. Karamanlis, who is known to harbor strong reservations about Papandreou's governance, and the political right will vent increasing criticism about the government's ineptitude in general and its mishandling of the base issue in particular. But it is unlikely that Papandreou himself will bear the overwhelming weight of the attack on the base issue. Anti-Americanism -- for our alleged patronization of Greece and so-called tilt toward Turkey -- is widespread; and Papandreou's assertion of Greek interests have given expression to a sublimated Greek pride that even his most ardent opponents have thought long overdue. Government resort to the media to explain Greek positions

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in their most favorable light, coupled with the strong support Papandreou can expect from a party he still dominates, from the Communists, and from the impulse for national unity on the issue even from the right would, in my view, be sufficient to overcome the anxieties that most Greeks -- including the military -- would feel about the larger implications for Greece of a breakdown in the negotiations. Early indications that the US was exploring alternatives to our facilities in Greece, particularly in Turkey, would only serve to exacerbate the situation and weld further support for the government in its putative defense of Greek national interests.

Given the prospect of prolonged stalemate, Papandreou might seek to combine incentive with injury and, as an earnest of future intentions, begin by requesting withdrawal of the VOA Relay Stations at Kavalla and on Rhodes and the Area Telecommunications Facility adjoining Nea Makri -- facilities which are not integral parts of the current negotiations and whose legal status has either lapsed or is uncertain. In similar vein, he might be tempted to impose progressive restriction on selected operations at our facilities for which explicit GOG approval is ambiguous or merely precedential. Given the Greek penchant for deadlines, the GOG might also threaten suspension of the talks if results are not achieved by a given date. The options available to the GOG are varied and none can be excluded.

Should we hold firm on the issue of duration during the next round, Papandreou could respond in two ways: (1) accept the limits beyond which we are not prepared to go in the text and blunt its inconsistency with long-stated Greek positions by asserting during the process of Parliamentary ratification that the Greek Government will not be prepared to continue the agreement beyond its five-year term unless it or its successors are convinced of its value to Greece; or (2) having determined the inability of the US to concede on the matter, appeal to the President to call a national referendum on the issue and pledge his government's acquiescence to the public will. Less risky to his own political future than would be the case of early elections on which the issue of the bases would inevitably intertwine with others, a referendum would nonetheless emphasize his incapacity for leadership, even if its results were in support of the government's position. The dilemma is a stern one for Papandreou, and given his temporizing nature, one cannot exclude a third option: a unilateral declaration that the talks have failed, a freezing of all operations at the bases not expressly authorized by the Greek government and, against the backdrop of their limited effectiveness, a call for a new round of talks in the fall.

Milton Kovner